



**NEBRASKA ESTATE TAX RETURN**  
for Estates of Persons Who Died On or After  
July 15, 1992 and before January 1, 2003  
• Read instructions on reverse side

FORM  
**706N-1**

PLEASE DO NOT WRITE IN THIS SPACE

Type of Federal Return

☐ 706

☐ 706NA

☐ 706-QDT

Name of Decedent

Residence at Time of Death (City and State)

Date of Death

Decedent's Social Security Number

Indicate County Court Where Will was Probated or Estate Administered

Case Number

**PERSONAL REPRESENTATIVES OR ATTORNEYS REPRESENTING THE ESTATE**

Name

Address

City

State

Zip Code

Telephone Number

**PERSON TO RECEIVE CERTIFICATE OF PAYMENT**

Name Address City State Zip Code

**COMPUTATION OF TAX**

1	Taxable estate .....	1	\$	
2	Maximum state death tax credit allowance (check box if federal closing letter has not yet been issued, but will be provided when received <input type="checkbox"/> ) .....	2		
3	Gross value of transferred property located outside Nebraska (if zero skip to line 6) .....	3	\$	
4	Gross value of all transferred property .....	4		
5	Divide line 3 by line 4 (compute to five decimal places and round to four) .....	5		
6	Allowance for tax paid to other state(s). Multiply line 2 by line 5. If line 3 is zero, enter zero .....	6	\$	
7	Amount of Nebraska inheritance taxes paid (attach copies of certificates or receipts of payments) .....	7		
8	Total of line 6 and line 7 .....	8		
9	Total of all estate, inheritance, or succession taxes paid on the taxable estate (certificates or receipts of payment must be attached – see instructions) .....	9		
10	Enter the lesser of line 8 or line 9 .....	10		
11	Net Nebraska estate tax due (line 2 minus line 10) (if zero or less than zero, enter -0-) .....	11		
12	Tax previously paid to Nebraska .....	12		
13	TAX DUE (line 11 minus line 12) .....	13		
14	Interest (see instructions) .....	14		
15	BALANCE DUE (line 13 plus line 14). Pay in full with return .....	15	\$	

Under penalties of law, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is correct and complete.

**sign  
here**

Signature of Personal Representative, Fiduciary, Executor, Taxpayer, Trustee, Attorney or Designated Filer

Date

Signature of Preparer

Date

( )

Telephone Number

**FOR NDR USE ONLY**

**ATTACH A COPY OF THE FEDERAL FORM FILED WITH THE IRS: FORM 706, PAGES 1, 2, AND 3; 706NA; OR 706-QDT.**

**A COPY OF THE COUNTY INHERITANCE TAX WORKSHEET, COUNTY TAX RECEIPTS, AND OTHER STATES' RECEIPTS OR CERTIFICATIONS OF PAYMENT MUST BE ATTACHED TO THIS RETURN.**

Mail this return and payment to: **NEBRASKA DEPARTMENT OF REVENUE, P.O. BOX 94818, LINCOLN, NE 68509-4818**

## INSTRUCTIONS

**WHO MUST FILE.** This return must be filed for estates required to file Federal Forms 706, 706NA, or 706-QDT, when the decedent died on or after July 15, 1992 and before January 1, 2003, and was a resident of Nebraska, or owned real property in Nebraska, at the time of death. Estates of persons who died before July 15, 1992, should contact the department to obtain the proper form. Estates of persons who died on or after January 1, 2003 should use Nebraska Form 706N. Generation-skipping transfers due to taxable distributions or taxable terminations made on or after July 15, 1992 and before January 1, 2003, should be reported using the Nebraska Generation-Skipping Transfer Tax Return, Form 706N-GST-1.

**WHEN AND WHERE TO FILE.** This return is due 12 months after the date of death of the decedent. This return is to be filed with the Nebraska Department of Revenue, P.O. Box 94818, Lincoln, Nebraska 68509-4818.

**HAVE QUESTIONS?** Check our Web site: [www.revenue.state.ne.us](http://www.revenue.state.ne.us) or call 1-800-742-7474 (toll free in Nebraska and Iowa) or 1-402-471-5729.

**AMOUNT OF TAX.** The amount of estate tax due the state of Nebraska is the amount by which the maximum state tax credit allowance upon the tax imposed by the Internal Revenue Code exceeds the lesser of (1) all estate, inheritance, legacy, or succession taxes paid to any states, territories, the District of Columbia, or possessions of the United States; or (2) the sum of (a) the percentage of the gross value of the transferred property located outside Nebraska over the gross value of all the transferred property times the maximum state tax credit allowance, and (b) the amount of Nebraska inheritance taxes paid.

**INTEREST.** If the tax due as computed on line 13 of this return is not paid by the prescribed due date, interest on the unpaid tax will be assessed at the statutory rates from the due date until payment is received.

Interest for any period up to and including December 31, 1992 will be calculated at 14 percent. Interest from January 1, 1993 through December 31, 1994, will be calculated at seven percent. Interest on or after January 1, 1995 through December 31, 2002 will be calculated at nine percent. Interest on or after January 1, 2003 will be calculated at six percent.

**FEDERAL RETURNS.** Attach to this return a copy of Federal Form 706 (pages 1, 2, and 3), 706NA, or 706-QDT that was filed with the Internal Revenue Service.

**FEDERAL CLOSING LETTER.** Attach a copy of the Internal Revenue Service or federal court determination of estate tax, i.e., the federal closing letter which sets out the federal estate tax liability and state death tax credit. If the determination is unavailable, the box on line 2 must be checked. When the closing letter is issued by the Internal Revenue Service or the federal court, a copy of the determination must be filed with the Nebraska Department of Revenue by the personal representative within ten days of receipt.

**CERTIFICATE EVIDENCING PAYMENT.** A certificate evidencing payment of Nebraska Estate Tax will be issued after the Nebraska Estate Tax Return has been filed and the tax paid. The Nebraska Estate Tax Return has not been properly filed until the federal closing letter and certificates or receipts evidencing tax payments to other states or political subdivisions have been provided.

**INHERITANCE TAX WORKSHEET.** A copy of the inheritance tax worksheet filed with the Nebraska county court must be filed with this return.

**AMENDED RETURN.** An amended Nebraska return must be filed when the Internal Revenue Service has determined there is a change in federal tax liability or when an amended federal return is filed. Complete Form 706N-1, mark it "Amended" at the top of the return, and attach a copy of the dated notice of change from the Internal Revenue Service or a copy of the amended federal return.

An amended Nebraska return must also be filed when the tax paid to other states or political subdivisions changes. Attach certificates or receipts substantiating the revised tax paid. Interest or other penalties paid to states for delinquent tax payments cannot be included on line 9.

**REFUND OF OVERPAYMENT.** An overpayment of tax to the state of Nebraska will be refunded upon the filing of an amended return. The claim for refund must be filed with the department within four years after the date of overpayment, or within one year of a change in the amount of federal tax due, whichever is later. The party making such overpayment or his or her successors or assigns is entitled to a refund of the amount of overpayment plus interest at the rates determined by the Legislature.

Interest on refunds will be calculated at seven percent through December 31, 1994. For the period on and after January 1, 1995 through December 31, 2002, interest on refunds will be nine percent. Interest will be calculated at six percent for the period on or after January 1, 2003.

### SPECIFIC INSTRUCTIONS

**Enter the name and address of the person who is to receive the certificate evidencing payment.** If this space is not completed, the certificate will be sent to the first personal representative or attorney listed on Form 706N-1.

**List the name and address for each personal representative or attorney representing the estate,** if appropriate. Attach a schedule if more room is needed.

**LINE 1.** Enter the amount of the taxable estate. The entire taxable estate reported on the federal return must be reported to Nebraska.

**LINE 2.** Enter the maximum amount of state death tax credit which the estate was authorized to take on the federal return. Do not enter more than the amount that could be used to offset federal estate tax. Attach a copy of the Internal Revenue Service or federal court determination of federal estate tax (federal closing letter). Check the box if the federal closing letter has not yet been issued but will be provided when it is received.

**LINE 3.** Enter the gross value of the transferred property located outside Nebraska.

For a resident decedent, this is the value of real estate and tangible personal property located outside of Nebraska.

For a nonresident decedent, this is the entire value of his or her estate, less the value of any interest in Nebraska real estate and tangible personal property located within Nebraska. Intangibles held in Nebraska at the time of a nonresident's death are to be valued at their fair market value and included on line 3.

If the gross value of the transferred property located outside Nebraska is zero, skip to line 6. If line 3 is greater than zero, however, complete lines 4 and 5 before proceeding to line 6. Use line 4 instructions for assistance in determining the appropriate gross value amounts.

**LINE 4.** Enter the gross value of all transferred property. This amount is the total gross estate reported on the federal return. This gross amount is prior to any adjustments for expenses or any other allowable deductions used in computing the taxable estate.

**LINE 7.** Attach a copy of the county inheritance tax worksheet and copies of receipts or certificates evidencing payment of inheritance tax.

**LINE 9.** Enter the total of all estate, inheritance, legacy, or succession taxes properly calculated and actually paid to any state, territory, or possession of the United States, the District of Columbia, or their political subdivisions. The Nebraska inheritance tax calculated on the inheritance tax worksheet and paid to Nebraska counties is to be included on this line.

Taxes actually paid do not include taxes which are anticipated to be paid. **Certificates or receipts showing actual payment of such taxes must be attached to this return.**

**LINE 15.** Attach a check or money order payable to the Nebraska Department of Revenue for the sum reported on line 15.

**SIGNATURES.** As determined by the attached federal form, a personal representative, fiduciary, executor, taxpayer, trustee, attorney, or designated filer of the estate must sign this return. An attorney must indicate the state wherein currently qualified to practice law. If another person is authorized to sign this return, there must be a power of attorney on file with the department.

Any person who is paid for preparing this return must also sign the return as preparer.